GENERAL HEADQUARTERS

FAR EAST COMMAND

MILITARY INTELLIGENCE SECTION, GENERAL STAFF

CIVIL INTELLIGENCE SECTION

SPECIAL REPORT

SAIONJI-HARADA MEMOIRS

PART XVII

NURSING KONOYE AND HIS CABINET

(4 Oct - 21 Dec 1938)

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THE SAIONJI - HARADA MEMOIRS

PART SEVENTEEN: NURSING KONOYE AND HIS CABINET

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Chapter 301 (A)
(4 October 1938)

Diplomacy Over China

Translated by T/Sgt Tadashi Kishishita

Early on the morning of the 29th, I received a telephone call from ARIMA. He said: "I was invited to KONOYE's residence in Ogikubo last night. The political situation was explained by KONOYE and I was asked to take the post of the Minister of Foreign Affairs. Because of the prevailing circumstances, I accepted his request." I (HARADA) said: "It is very well. It may be hard work but do your best."

I phoned the Navy Minister and said: "A moment ago, I received a telephone call from ARIMA and he said that he finally accepted the offer as the Minister of Foreign Affairs." The Navy Minister said: "It is wonderful. The Minister of Overseas Affairs is HATTA. This offer has already been accepted. I recommended AOKI to become the Minister of Commerce and Industry. I wonder what his decision would be." Then, when I asked Finance Minister IKEDA about the matter, he said: "AOKI has declined the post. Anyhow, we intend to carry on with just the Ministers of Overseas Affairs and Foreign Affairs."

On the evening of the 29th, I was invited over by my relatives in Kawasaki. U.S. Ambassador GREW, Mrs. GREW and their daughter; a couple of British nationals, and a British business man were guests. Since it was the first time we got together with GREW in a long while, the conversation was carried out in a lively manner. GREW said: "A very serious incident has arisen. This happened about

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two or three days ago. Some Japanese planes bombed an area where an American flag was hoisted. The area was definitely away from the war zone. Because of this bombing, an American woman and a three year old child were killed. This is really a very foolish incident and it is very troublesome to have such a thing happen now. The feelings of the United States towards Japan are very bad at the present time. I have been placating my government by saying: 'There are two distinct elements in Japan; the extremist right and the neutral pacifists. I believe that it is only a passing phenomenon and that the extremists will not last very long.' Rightists representatives have come to the British Ambassador's place, as well as to my own, shouting that it was outrageous that the CHIANG regime was being abetted and that we should cease this. However, it is Germany which is aiding CHIANG by selling the greater quantity of the arms and ammunition. Germany is also sending more nationals into China. Regardless of this, the rightist elements are objecting to the United States and England. It is a very strange matter."

I returned late that night. On the following morning, I phoned Navy Vice Minister YAMAMOTO and said: "I met Ambassador GREW at my relative's home last night. I wonder if you heard of the incident he mentioned." He said: "Not at all." Then, I phoned Foreign Minister ARITA and mentioned this incident to him. ARITA said: "That is perplexing. I don't know anything about it." The investiture of ARITA and HATTA concluded during the morning.

On the morning of the 30th, Overseas Minister HATTA came to visit and said: "Thanks to your help, I was invested as Minister. I ask for your continued help. Give my regards to the Prince. When I was invited by KONOYE recently, he said: 'Since you have connections in the House of Peers, I want you to do your best to further liaison between the government and the House of Peers, as well as to harmonize relations among the Cabinet members. This does not necessarily mean that the relationship among the Cabinet members is poor. Anyhow, please help me out.'" I said to HATTA: "After all, ARITA and YONAI are most understandable Ministers. What I want you to do, is to help harmonize the relations between KIDO and them (ARITA, YONAI.) KONOYE has always been leery of the rightists. Relations with the Army might be rather difficult, but I ask for your earnest efforts."

At noon of the 30th, I attended memorial services for EGI for a little while and went to Shizuoka by the special express, Fuji. On the morning of the 31st, I visited Prince SAIONJI and explained the course taken until ARITA became the Foreign Minister, as well as about the Minister of Overseas Affairs, HATTA. The Prince replied: "Perhaps this fellow HATTA is the one who stopped by here on the way to Manchukuo with UCHIDA Kosei. It seems that he is a good man." I concluded that HATTA was well received by the Prince. I mentioned the conversation I had with the American Ambassador the night before last. The Prince was seriously worried about foreign policy, but after all, nothing can be done. There seemed no change in the Prince's feelings that foreign policy must be considered carefully.

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On the evening of the 1st, I was invited to the farewell party in honor of the Japanese Ambassador to the United States, at IKEDA's residence. There were only a few guests; just Mr. and Mrs. SAWADA, Mr. and Mrs. ISHIWATA, HORINOUCHI and us. Since it was such a congenial gathering, I had an unexpectedly long conversation with them. IKEDA had to attend the Cabinet meeting that day and he had various requests concerning the matter to be included in the statement to be issued on November 3. Therefore, IKEDA returned home very late that night and dinner was held up.

On the morning of the 2nd, I stopped at KIDO's residence and was shown that statement. It seems certain that the General Staff Headquarters has become much weaker in attitude than ever before. In other words, the general trend of opinions is to quit the war as soon as possible and to recognize CHIANG's People's Government whenever the circumstances permit. KIDO explained; "Therefore, there were two articles concerning CHIANG's People's Government, etc. from the document, but those were omitted by the order of the General Staff Headquarters." After all, no matter how strongly the General Staff Headquarters asserts itself, there is no reason that it stated its concrete policy for the future. To respect the rights and the interests of the various nations, stands very much to reason. Therefore, the previously mentioned articles were omitted. I listened to this carefully and thought that the articles omitted in this statement might create some suspicion among the other nations.

At noon, TANI and MATSUDAIRA were invited to dinner. TANI spoke on various matters concerning Shanghai.

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TANI, very resentfully, said: "Since this world is deaf to all reason, it is really troublesome. It is very pleasing to know that affairs in Shanghai have been settled peacefully. It is too bad that the home government does not understand the situation. In other words, it is difficult because the governing body in Tokyo does not understand."

I went to Ciso that afternoon (2nd). At noon of the following day, Captain TAKAGI (Navy) arrived and discussed the situation. He showed me the drafts of the Imperial Proclamation which is now under consideration among the section chiefs of the Army and the Navy. TAKAGI said: "The Army received an Imperial Rescript during the closing phases of this war, and in order to pass the Imperial Rescript to the entire personnel of the Army and the Navy they (Army) are now making out the drafts. The draft proposed by the Army is indefinite as to its content. Anyhow, the latter part of the Imperial Proclamation states:

'In compliance with our will, raise your morale higher and higher with indomitable spirit (lay the ax to the root of foreign danger in order to make the continent stable; strengthen our military preparations to meet the change of the situation; have strong views on the state of affairs in East Asia; keep in mind the mission of our Imperial Army, whether you be soldiers or civilians; do your part devotedly and honestly; and thus help to accomplish the most grandiose task in history), and try to show yourselves as worthy of our trust.'

"'To destroy the root of foreign evil' has a very bad connotation to the Navy. In other words, it seems that those

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three points, such as: to prepare for war with Russia; to seek the peace on the continents; or to complete the military preparations; are considered as an intrigue in the pact of the Army. Therefore, the Navy is trying eagerly to prevent this plot now before it reaches maturity. As yet, this draft hasn't reached the hands of higher officials."

The telegrams among the documents brought by Captain TAKAGI, are herewith appended in order of dispatch.

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October 20 Dispatch Code

From: HU SHIH Washington

To : CHIANG Kai-shek, Wuchang Military Committee

I presume you have already received the Presidential reply which I addressed to you on October 19. I have been striving to obtain peace for you but that's more difficult to do than to declare war. In recent years, Europe has finally been freed from the evils of war. The three main principles of such success are as follows:

1. Because there are individuals who assumed responsibilities regardless of any slanders and who did their utmost in arbitration.
2. Because the weak nations do not fear making sacrifices as requested by the mediators, they never fear revolution.
3. Because the arbitrators possessed sufficient ability and determination to restrain the stronger nations, and the aggressor nation made the weaker nation accept the decision of the arbitrations.

Not a single article should be missing from these three principles. For example; at the time when the League of

Nations arbitrated the 'Incident' between Japan and China, they failed on the third principle above. Consequently, our side accepted the LYTTON Reports but our enemies rejected it. After all, the arbitrators did not have any grounds to stand on. Furthermore, Czechoslovakia would be enjoying peace had not England and France declared war and the British Army, Navy and Air Forces effected mobilization. Political arbitration in Europe was very difficult before the outbreak of war. As a matter of fact, these facts should be worthy of consideration.

For twenty odd days, the public opinion of the world, criticizing CHAMBERLAIN, claimed that he sold out Czechoslovakia. That opinion is spreading throughout the world. Therefore, one should understand that the person who is the arbitrator must not be afraid of unfavourable criticism and be able to restrain brute force. It seems certain that American public opinion would not permit the American leaders to uphold unfair peace. So far as the world situation is concerned, the time is not yet ripe to have America forcefully supervise unbalanced peace between nations. The significance of the Presidential reply is more than just mere words. I presume that you fully understood the circumstances.

According to my friend who is in the Foreign Affairs Section, it is believed that the situation in South China is liable to provoke an international incident. This also means more than mere words. According to the telegram sent to you (CHIANG) in August, it was said: "Both Russia and the United States do not recognize our peace terms." Now,

we finally realize the actual reason why Russia and the United States do not wish to recognize our peace terms. However, Russia sanctioned aid to us (China) by selling us arms. America also does not wish to recognize our peace terms, but at the same time, feared our defeat. Therefore, economic aid within the scope of law is desirable. In other words, it is for us to wait until circumstances change. In reality, such historical facts as these would serve as good reference material. For that reason, I have elaborated on this situation.

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Chapter 301 (B)
(4 November 1938)

Chinese Diplomatic Documents

Translated by T/Sgt Tadashi Kishishita

Oct. 22 Dispatched: 1333 Code

From: Chinese Ambassador to England QUO Tai-chi

To : The Chairman of the Chungking Administration:
WANG Ching-wei

Quoting from your speech, Reuter reported: "We will accept the conditions offered by Japan, if it does not infringe upon our sovereignty." Please explain this statement in detail.

The foreigners were very much surprised by the quick fall of Canton. It seems that the fall of Wuchang and Hankow is imminent. The availability of effective support from foreign nations is nil. Therefore, I wish to have instructions from CHIANG's Central Government.

Oct. 23 Dispatched: 1415 Code

From: Chinese Ambassador to the United States HU Shih

To : The Minister of Foreign Affairs WANG Chung-hui

The fall of Canton dampened the enthusiastic patriotism of the Chinese merchants abroad. The American attitude towards China is still favourable and economic support is still continuing. The instructions in the telegram sent on the 21st has been noted ten days before. The subject of this reply stated that the opportunity for an equitable peace has not arrived. I intend to wait until after the presentation of credentials and advise you when the proper moment arrives. There have

been a number of blind rumors spreading rapidly. I wish to have your advice sent immediately to prevent our people from being led astray.

Oct. 24 Dispatch Code

From: Foreign Affairs Department, WANG Ching-wei

To : The Chinese Ambassador to England QUO Tai-chi

Your telegram (2566) acknowledged. If Japan does not jeopardize our independence, and if we reject their offer, it will be very difficult to understand. At the present time, Canton has fallen, and Wuchang and Hankow are in critical state. If effective support from the other nations is absolutely hopeless, it is a certainty that we cannot hope for our own independent existence. There is no choice but to offer our lives for our nation.

Oct. 24 Received 1500 Code

From: Chungking administration, WANG Ching-wei

To : The President of the Association of Chinese Settlers in the South Seas, CHEN Chia-kang

Our nation whose burning desire is to sustain justice and maintain goodwill, is now battling against an aggressor. Furthermore, our country has never rejected any peace terms heretofore. At the conference in Brussels last year, the peace treaty between Japan and China was discussed. We (China) accepted the treaty, but Japan rejected it. For that reason, all the nations definitely pointed out Japan as the aggressor and began to support China. At the League of Nations, Article 17 was quoted and at the same time a peace settlement was suggested. At that time, we (China)

agreed to it, but was rejected by Japan. Finally, the League of Nations arrived at a decision to carry out economic sanctions, (Article 16) against Japan.

As is mentioned above, the originator of the trouble is definitely Japan and the only course we can take is to resist the aggressor. That is the reason why we have the sympathy and support of the world. Now, our attitude to resist, as well as to maintain peace, is not contradictory and is really a magnificent peace condition. Why should we reject the mediator's peace offer if our independence and existence are safe? On the contrary, if it affects our independence and existence, there is no reason why we should accept the condition. Because of such conditions, we now face the decision which I stated previously. We act justly and there is no fear or intention of surrendering. I want you to explain this thoroughly to the Chinese abroad who misunderstand this situation.

Oct. 26 Dispatched 1700 Code

From: U.S. Ambassador to China

To : U.S. Secretary of State

Chungking Despatch No. 514 (1100 26 Oct.)

Matters concerning telegram No. 4 dispatched to Hongkong from the State Department:

I. The following are the principle reasons why the Japanese Army succeeded in the invasion of Canton.

A. The present weather conditions in Bias Bay are the best of the year.

B. The weather conditions and dry roads made the utilization of mechanized units possible.

C. The Japanese Army was thoroughly prepared in order to carry out a surprise attack, but the Chinese Army was not even aware of the vital defensive positions.

D. The more able commanders of the Canton Army were in the Yangtse River area.

E. The Canton Army in this area was not prepared for defensive battle.

F. Since the Japanese Army had military supremacy of the area, the Chinese Army, which resisted the invasion of the Japanese Army by bombing and strafing the military roads, found it impossible to advance.

G. The Japanese mechanized units completely destroyed the Chinese infantry.

II. This document does not contain enough concrete proof to express the entire explanation in connection with this incident, but it is believed that the success of the Japanese Army in the Canton invasion was due to the stupidity and unpreparedness of the Chinese commanders. (End)

Captain TAKAGI continued: "United States Ambassador GREW brought three important conditional statements to the Japanese government and the Navy is taking them into serious consideration. Those conditional statements are as follows:

1. The suspension of discriminatory control of exchange and other activities, directly or indirectly, in American trade and business in Japanese-occupied areas in China.

2. The suspension of such monopolies and special privi-

leges which deprive American citizens of the right of engaging in legal trade and industry in China. Furthermore, any agreements concerning commercial and economic developments in China, which further Japanese interest at the expense of others, must be suspended.

3. The cessation of interference by Japanese officials in China against the properties and privileges of American nationals, including the various restrictions imposed upon American mail and telegrams as well as on American homes, trade and water transportation.

"These requests demanded of the Japanese government by the United States are not matters which can be overlooked. Because of the importance of this matter, the Navy is taking this seriously."

On the morning of the 4th, Count KABAYAMA came to visit me in Oiso and he talked about incidents during his residence in America and England. Count KABAYAMA said: "Japan must be careful because the Labor Party in England will come to the fore by backing Winston CHURCHILL, EDEN, as the Minister of Foreign Affairs, and Lloyd GEORGE. Therefore, while CHAMBERLAIN and HULL, the United States Secretary of State, are holding their respective positions, we should alter this situation so it will appear in a better light. Otherwise, I think we are going to have a difficult time. As usual, the United States and Britain are inseparable. We must observe this very carefully. Concerning the Sudetenland problem in Czechoslovakia, CHAMBERLAIN, who thought of more than his own country, strove for peace among the peoples of the world.

WILSON, who works under him (CHAMBERLAIN) is also a very able man and it was he who caused the opening of the Four Nations' Conference. Japan thinks that England was taken in by HITLER and MUSSOLINI but actually it was a great success for CHAMBERLAIN." In reply to this, I said: "Your observation is exactly the same as the Prince's (SAIONJI). The Prince was explaining this matter to me the other day." When I added that the Prince had considerable respect for CHAMBERLAIN's great political skill, Count KABAYAMA seemed very satisfied.

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Chapter 302
(11 November 1938)

Arita Becomes Foreign Minister

Translated by T/Sgt Tadashi Kishishita

I said to Count KABAYAMA: "I think that it is better for you to relate the whole story you just mentioned to the Minister of Foreign Affairs as soon as possible." Count KABAYAMA replied: "I want to meet ARITA myself, so please arrange it." Therefore, I immediately phoned the private home of the Foreign Minister in Tokyo and spoke to ARITA. ARITA said: "I would like to speak with Count KABAYAMA as soon as possible. It would give me great pleasure to have him come to my office at 5:00 p.m. this afternoon." I immediately transmitted ARITA's invitation to Count KABAYAMA. KABAYAMA and ARITA then had a long talk at the Foreign Minister's office at 5:00 p.m. of that day. I returned to Tokyo that afternoon.

Together with some members of the House of Peers and the Tokyo Club, I was invited to the farewell dinner in honor of Ambassador SHIRATORI at the residence of Count FUJITA Heitaro. After the party, I was invited together with Viscount SOGA, Viscount OKUBO and some ten others to Chinzanso, our customary meeting place, and returned home about 9:30 p.m.

When I talked to ARITA over the telephone on the following morning, ARITA said: "Since it is Sunday today, I'll be at home. Come to my place if you can. If that is unsatisfactory, I can meet you at my office at 2:00 o'clock in the afternoon."

Since it was convenient for me to meet him in the morning, I called on ARITA at his residence in Mejiro. He (ARITA) related the entire story of the proceedings

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prior to and after the negotiations when he was offered the post of the Minister of Foreign Affairs. ARITA said: "SAWADA called on me as KONOYE's messenger and stated: 'This is from the Premier and he wants you to accept the post of the Foreign Minister. Previously, SHIRATORI and some others were named and it is very discourteous to approach you now. However, if you don't mind, we would like to have you accept the post.' I (ARITA) said: 'I will not say such trivial things as: 'I was considered after the junior officials have been asked.' If there is any necessity for me to accept the post, I shall be glad to do so. However, my opinion is that it is better to have someone from outside the department at this time. Speaking from the public as well as the military standpoint, the Ministry of Foreign Affairs is considered faulty. If there are any faults within the Ministry, wouldn't it be easier for someone outside the Ministry to correct them? If the people would be satisfied with such an arrangement, why not consider it immediately. Furthermore, it would be useless if the Premier does not have any knowledge of what I think. After all, I cannot accept the offer until after I find out what ideas the Premier has. Why not let the matter ride until after I meet the Premier?'

I (ARITA) happened to go to the Premier's residence in Ogikubo that night so I expressed my opinions to him. He also gave his and I sympathized with him. Someone must assist him. I said to the Premier: 'As long as I'm to assume the post of the Minister of Foreign Affairs, I must have the Premier's full support to fulfill the important responsibilities. What is your view on that

point?' The Premier answered: 'This will be the second change of ministers and from the standpoint of my responsibilities to the Emperor, I will have to resign together with you if you should. Of course, I will give you my full support.' Accordingly, I was relieved by the Premier's explanation and agreed to accept the post.

"A troublesome matter at this time is that a military alliance among Japan, Germany and Italy was drawn up by OSHIMA and RIBBENTROP during UGAKI's tenure as Foreign Minister. That was just before the time of the Czechoslovakian problem. At first, this alliance dealt solely with Russia, but according to present reports, it seems to have been extended against England and France as well. When War Minister ITAGAKI explained the situation to Foreign Minister UGAKI, he (UGAKI) did not approve of it there on the spot. ITAGAKI asked UGAKI: 'Do you agree with the substance of the matter?' UGAKI said: 'I agree with the substance but the wording and sentences must be revised.' ITAGAKI wired this information to OSHIMA immediately and OSHIMA has notified RIBBENTROP. This matter is very important and I'm very perplexed. Fortunately, MUSSOLINI said: 'It will be complicated if this problem is settled before March.' Thus, this problem is temporarily shelved at the request from Italy. However, at the Five Ministers' Conference, they definitely decided that the Anti-Comintern Pact is against Communism, namely, against Soviet Russia. Nevertheless, it is surprising that a problem like this was discussed between the Foreign Minister and the War Minister. In fact, this is a very perplexing problem." We discussed the matters and then parted.

That afternoon, I phoned KONOYE in Atami and arrangements were made to have dinner with him. I went to Atami and had a long talk with KONOYE from about 6:00 to 11:00 pm. It seemed that KONOYE was greatly distressed with this problem. I mentioned the contents of the telegram sent by Ambassador GREW to the Secretary of State which had been intercepted, but he did not know anything about it. KONOYE mentioned the various subjects discussed during the conference he had the other day with British Ambassador CRAIGIE. He handed me the briefs of that discussion and I took them along with me to Yugawara and returned home next morning. When I called on KONOYE, he again said: "When the opportune moment comes, I want to resign. When you see the Prince, consult with him and explain the whole situation."

I returned home on the morning of the 7th. I had invited the GREW family, HORINOUCHI who was to leave for United States, Count KABAYAMA and several others to dinner that night. It appeared as if Ambassador GREW was greatly perturbed by the China Incident. GREW said: "All of the 20,000 American nationals in China have returned and no other nation can sail to or trade with China. Thus, Japanese merchandise is pouring into China in large quantities. Furthermore, there have been the cruel activities of the Japanese Army such as the bombing and killing of three members of a missionary family, the attack on the Standard Oil Company ship by Japanese Army planes, the contempt shown the American flag and the wanton harming of American lives and properties. Such actions on the part of the Army do not cease. I don't know just how far this will be continued, but if Japan

does not settle this problem soon, the effectiveness of Japanese diplomacy will disapper. I fear that when American public opinion is aroused, it cannot be restrained. Thus, I am gravely concerned for the sake of Japan." Ambassador HORINOUCHI's departure was hastened and the date was set for the end of this month.

On the morning of the 8th, I visited the Navy Minister at his office and discussed numerous matters. Then when I phoned KONOYE, I was informed that Home Minister SUETSUGU had said: "There seems to be a movement to cause the collapse of the present Cabinet and to form a new one." As he (KONOYE) wanted to talk to both KIDO and myself regarding various matters, I said: "At any rate, when I return, let us discuss matters thoroughly."

I stopped by at KIDO's residence. KIDO also said: "A while back I said to SHIONO and SUETSUGU: 'No matter how much you push an individual against his wishes, he will not move, so you better consider this matter carefully.' Both SHIONO and SUETSUGU agreed to what I said, but at the same time they said: 'There is no alternative but to appoint HIRANUMA.'"

I left that evening for Okitsu and on the morning of the 9th, I reported all of the above information to the Prince (SAIONJI). At the same time, I handed him the briefs of the discussions between CRAIGIE and the Premier, the telegram sent on the 30th of October from the American Ambassador to the Secretary of State and the documents which were filed in protest with the Japanese Government through the American Ambassador by the U.S. Secretary of State. Furthermore, I transmitted KONOYE's opinion, the conversations which I had with KIDO, as well as

with the Navy Minister. We also discussed matters in connection with Article XI of the National Mobilization Bill. I returned home that evening.

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Chapter 303
(16 November 1938)

Ikeda Worried About Cabinet

Translated by T/Sgt Tadashi Kishishita

I mentioned that KONOYE wanted to resign from his post when the opportunity arrived. In reply, the Prince said: "His sudden resignation will leave us in a difficult position. It cannot be helped, if he resigns after the completion of his duties. I know that he wants to leave and I feel sorry for him."

When I met KONOYE, KIDO and MATSUDAIRA at the Hachiryu on the evening of the 11th, I told KONOYE what the Prince had said about him. It seemed as if KONOYE was relieved.

On the 11th, I received a telephone call from ARITA saying he wanted to meet me. When I went to the Foreign Ministry at 3:00 p.m., ARITA said: "The Information Bureau reported that KANEKO Naokichi was arrested and imprisoned by the Kempei for violation of the Military Security Law. This was due to the business with the wealthy Shanghai man, Sassoon. Minister TANI is also involved. After all, they also pointed to TANI as a suspicious person and it is very troublesome because there is no way of checking on the method of investigation of the Kempei. Furthermore, the Kempei never informs us officially. I wonder if there is any better method." After I expressed my opinions to ARITA, I returned home.

I phoned SAKAMOTO, the Commander of the Tokyo Kempei-tai. In reply, he said: "It is very simple. I'll let you know as soon as possible." Immediately after that, SAKAMOTO phoned me and said: "The Chief of the Special Information Bureau of the Kempei-tai said: 'We even

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investigated the Foreign Minister. The problem was that the peace movement infringed upon the Military Security Law. We checked TANI upon his arrival at Kobe, but the problem was not too serious. Therefore, at the present, the situation is that there is no need of any documents at all. Of course, there is no worry as far as KANEKO is concerned and at the same time, no serious problem has arisen concerning TANI. Do not worry about TANI."

I was relieved by the Chief's information. I immediately called Foreign Minister ARITA and informed him of the situation. ARITA was surprised and said: "Why did the Information Section have to report such things to us? It must be some attempt to slander Minister TANI. It is necessary to be careful."

The Minister of Foreign Affairs requested to have a copy of the telegram intercepted by the Navy which was sent from GREW to the United States Government. Therefore, I delivered the copy to the Minister after obtaining it from Capt. TAKAGI (Navy). Then the Minister of Foreign Affairs said: "At the meeting of the Section Chiefs, the War Minister stated plainly: 'The Anti-Comintern Pact is directed against Russia and neither Britain, France nor any other nation is involved. This is aimed definitely against Russia.' Therefore, I was relieved by his explanation."

The court ladies who are employed in the Palace are widows of military personnel, especially those of war casualties. This is due to the sincere desire of the Empress to aid them. The Empress intends to select the employees from the families of military personnel as much as possible. Certain Rightist elements, whose

purpose it is to learn the situation within the Palace and to expose any defects there to criticize the Palace officials, are using this opportunity to place persons advantageous to them. They are also obtaining facts from those already employed in the Palace. According to the investigation made on the contents of the information sent by TAKUNO Dempu previously, it is a fact that servants and ladies employed in lowly positions have been bribed. Because of such activities, a number of people have suffered. Consequently, I paid a visit to the Imperial Household Minister on the 12th and mentioned this matter to him before speaking to HIROHATA about it. The Minister of the Imperial Household agreed with me and said: "It will not appear too well if I cautioned HIROHATA, so ask Prince SAIONJI to do so. In the meantime, I will have a talk with HIROHATA." Immediately after the conversation, I returned home.

On the 10th, the Emperor paid a visit to the Museum and MATSUDAIRA was very pleased about it.

On the morning of the 13th, I went to Oiso and talked with IKEDA. Regarding Article XI of the National Mobilization Law, IKEDA said: "It was secretly desired that Article XI be held up because even if this bill should pass the Cabinet, it might hurt economic circles, and at the same time, restrict the financial circles. However, because of a trifling error made by TAKI, the President of the Planning Board, it came out into the open. Because of the odd statement made by the Chief of the Army's Information Bureau, the bond exchange was closed and no quotations were made. The Governor of the Bank of Japan realized this as a serious matter and opened

the exchange on the 12th. At the same time, he (Governor of the Bank of Japan) did considerable studying regarding the settlement of this problem. I think nothing can be done other than to pass Article XI and arrange it so that it will not cause any irritation and direct harm within the economic and financial circles. The rate of foreign exchange has dropped and so has the London quotations. Since this problem must be settled quickly, I believe that Article XI should be passed. Secondly, the China Affairs Bureau should be organized and thirdly, after the budget has been set, the Cabinet should resign."

IKEDA's greatest concern was over foreign policy. He said: "The situation in Europe is still unsettled, and in case Germany starts a war, Japan will probably be forced to join in view of present conditions. The future of Japan is hopeless if Japan should join this needless war. I am terribly worried about this. The Foreign Minister must take a streng stand. Therefore, in this connection, someone like the Navy Minister should come to the fore and stop any action on the part of the Army." Due to that fact IKEDA was terribly worried over what is going to happen after the resignation of the Cabinet.

On the 14th, I relaxed a whole day in Oiso. I talked about the latest news with KIDO after I returned home on the morning of the 15th. Immediately after I conversed with KIDO, I talked with the Navy Vice-Minister at the official residence of the Navy Minister. However, there wasn't much to talk about. We talked about the fact that the China Affairs Bureau is made up mainly of Army personnel. The Navy Vice-Minister then said: "In the near future, I intend to assign some well-qualified speakers

from the Navy who can make strong statements against the members of the Army and reform the Army's irrational attitude."

It was agreed to invite Gen. OI of the Koseikai and ten other members of the House of Peers to the Tokiwa in Marunouchi at noon to listen to the story of Minister TANI who had returned from Shanghai. We listened until 3:00 p.m. TANI said: "A Chinese scholar informed me that one can clarify the situation in China if he sorts it into three different subjects. They are: agricultural development along the Yellow River; commercial development along the Yangtze River; and the so called revolutionary developments in the Canton area. The most troublesome is the so-called commercial development area along the Yangtze River. There is no doubt that the Revolutionary developments center in the Canton area. However, in view of the present situation in China, Canton is the most suitable area for Japan to take action in. From the moral point of view, Japan must take a friendly attitude towards China. In order to have the Chinese become friendly toward Japan, military power alone is not sufficient. Thus, these are the most important points.

"Shanghai, as well as Nanking and Hankow, have finally been taken by military power. However, it was England that suffered most from this severe blow. This is why our (Japan) relations with England and the United States must be handled in skillful manner. England and the United States must not be treated as if they were the enemy by opposing them. Japan must consider this matter seriously."

I went home after conversing with TANI and again

went to the official residence of the Premier to talk to him at about 4:00 p.m. KONOYE eagerly said: "When I was granted an audience by the Empress Dowager day before yesterday, I was asked by her to fight through this political difficulty with all my efforts. She added almost tearfully that the Emperor was terribly worried and she asked me to relieve him of his difficulties. Therefore, I was really perplexed." It seemed that KONOYE was dumbfounded and he said: "As a matter of fact, I am overestimated by the public and it is a very presumptious act to hold the post as the Premier since it is alien to my character."

In the evening, I had dinner with Vice-Admiral HASEGAWA, Lt. Gen. HARA, and SASAKI, MATSUDAIRA and TANI from the House of Peers, Navy Vice-Minister YAMAMOTO were also present. Then I returned home late that night.

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Chapter 304
(21 November 1938)

Konoye Prepares to Resign

Translated by T/Sgt Tadashi Kishishita

For several days there have been what I consider to the effect of: "A group of 2000 intends to carry out a large-scale coup d'etat which will be worse than the February 26 incident. They intend to do something about the conservative group." I phoned the VNavy Vice Minister and he said: "Well, I have heard something to that effect. I heard that the Deputy Chief of the Army General Staff and the Deputy Chief of the Naval General Staff had said between themselves that the Home Affairs Ministry alone cannot possibly suppress and control this coup d'etat so it should be done by the Navy and Kempei. I will make further investigations." On the morning of the 17th, I called on the Chief of the Metropolitan Police Board but he did not know anything about the situation. Later, I phoned two section chiefs of the Special Higher Police and eagerly asked them about this and they replied: "It seems there is no concrete report covering that." I also called on KIDO and he said: "The Ministry of Home Affairs and the Police Bureau are not dependable."

I went to Oiso on the 17th, and on the morning of the 18th, I went to Okitsu and reported on the subsequent situation to the Prince. The Prince laughingly said: "It seems the present Cabinet is quite like that of a federation. The Premier will probably no longer criticize the government officials directly, but he must also refrain from such actions entirely. It is imperative for the Premier to guide the government officials so that they will not be disliked by the people. It is certain that if the

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Premier abuses the officials, it will be impossible to establish liaison. That is the fundamental reason." The reason why the Prince mentioned the preceding matter is because I had previously told the Prince that Minister of Overseas Affairs HATTA had told me: "There is hardly any Cabinet as bad as this one in carrying out administrative affairs." I also mentioned the fact that the Premier was summoned by the Empress Dowager the other day and was encouraged: "For the sake of the nation, please do your best." Furthermore, he was requested not to resign from the Cabinet.

I returned to Oiso that day, and at noon on the following day, I met KIDO at the alumni gathering of the Peers' School. KIDO said: "It appears that HIRANUMA may accept the nomination to become the Premier. I told SHIONO: 'If there should be any indication of nominating TANABE Harumichi or SHODA for the Minister of Finance, that is entirely out of the question.'" I listened to him without comment.

When I called on KONOYE at his official residence that evening he said: "I think that I will probably be forced to resign by the 3rd or 4th of December."

I met MATSUDAIRA later that night and he said: "When the Lord Keeper of the Privy Seal informed the Emperor of HIRANUMA's indecision about accepting the Premiership the other day, the Emperor said: 'HIRANUMA really is an egotistical person, isn't he?'"

MATSUDAIRA also said: "Admiral OKADA is to come to my home at 10:00 a.m. on the morning of the 20th, so

please meet him." Therefore, I went to MATSUDAIRA's residence at about that time. Admiral OKADA worriedly said: "In the event that a political change should occur, and HIRANUMA is put forth as a nominee, we must take great caution for there is apprehension that he may have the Emperor commit himself to him (HIRANUMA). Great caution is necessary. In case HIRANUMA does not become Premier, how about having a list of alternates headed by YONAI and KIDO? There is a need to have things set beforehand so that we will not be confused when a change does occur."

After OKADA's departure, MATSUDAIRA said: "When the Minister of Justice petitioned the Throne concerning commutation of sentences and restoration of civil rights (of criminals), the Emperor did not sanction it immediately. Since then, the Minister of Justice has become ill and the Emperor said: 'Upon the complete recovery of the Minister of Justice, then . . . . .'. Until now, whenever the commutation of sentences and the restoration of civil rights of criminals were presented, it was proper to indicate that the criminals would repent, would not commit any further crimes. However, that matter was not mentioned in this petition. Thus, His Majesty said: 'This is different from the customary petition.' His Majesty decided to defer the matter until the Minister's complete recovery. Finally, when the Minister recovered from his illness and went to the Palace, he was asked by the Emperor: 'Isn't this petition different from the usual ones?' The Minister explained: 'Although it is not stated, I believe the criminals will not commit any crimes again.' The petition was finally granted but it gave a great responsibility to

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the Minister of Justice."

I again went to Oiso that afternoon and on the following morning, on my return, I talked with Finance Minister IKEDA on the train. From about 2:30 p.m. I talked with the Lord Keeper of the Privy Seal at the Palace. The Premier proceeded to the Imperial Palace at 3:30 p.m. and he was with the Emperor until 4:30 p.m.

I waited for the Premier's return and then talked with him in the office of the Chief Secretary to the Lord Privy Seal. The Premier said: "The attitude of the Lord Keeper of the Privy Seal seems to have changed considerably. The Emperor's previous belief was that my resignation was probably inevitable and the Lord Keeper of the Privy Seal held a similar view. Today, the Lord Keeper of the Privy Seal said: 'It would leave China in a very advantageous position to resign now, especially after having sent such a strong reply to the United States. If weakening China hears of the political crisis in Japan and becomes strong, the situation will become increasingly complicated. It will never bring good results. After all, such are my thoughts. If if finally comes to the point of your actual resignation, I think it is inevitable, but.....' Neither I (KONOYE) nor the Emperor exchanged a word on this matter. Then the Lord Keeper of the Privy Seal said: 'The Emperor pointedly said that the resignation would bring about bad results. However, since His Majesty has discerned that KONOYE can no longer bear it, it seems that the Emperor does not intend to forcibly detain KONOYE from resigning. A very distressing matter has arisen according to certain information. This is that OKAWA

called on ITAGAKI and said that KONOYE should resign his post. Therefore, I (Lord Privy Seal) met ITAGAKI a little while ago and asked if the above rumor was true. ITAGAKI said: 'The story is entirely the opposite. He (OKAWA) came and said that it would be disastrous if KONOYE resigns now. Therefore, I told OKAWA that such stories are absurd. I (ITAGAKI) also told OKAWA that the Premier had no intention of resigning and that it would be outrageous for him to resign.'

"Furthermore, there is information that WANG Ching-wei will sever all relations with the Chinese National Government on or about the 5th of December and that the Chinese National Government is about to dissolve. There is a report that three or four schemes have been devised and that they are about to succeed. What is to be done if political changes should occur in Japan just when success seems imminent and is not realized?"

It seems that ITAGAKI confronted the Premier with such a strong statement without any knowledge of the situation. The Premier anxiously said to me: "I intend to call on KAZAMI tonight and leisurely discuss the situation once more. It would be very distressing to be criticized later by the Army."

On the morning of the 22nd, I met KIDO and he said: "Last night, the three of us; the Premier, KAZAMI and I discussed various matters and decided that it is not wise to resign suddenly unless we notify ITAGAKI about two days in advance. In any case, KONOYE had a difficult time in having ITAGAKI accept the post as War Minister, and as

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ITAGAKI himself stands in an awkward position, it is unwise to surprise him with such a move. Therefore, I think we should accept him in our midst and then I will acquaint him with the state of affairs. After that, this whole issue should be reconsidered."

KIDO continued: "SUETSUGU is said to have confronted KONOYE and said: 'Force IKEDA to resign. I will resign too, so IKEDA must resign.' KONOYE doubts whether SUETSUGU will maintain his position until the opening of the Diet. If it is not as he thinks, Article XI (Supreme Military Command) can be enforced and defeat the so-called conservative faction. It seems that he (KONOYE) is trying to do something with the support of the rightists to destroy the conservatives. In short, he said that SUETSUGU is a nuisance and later when he saw the Emperor, KONOYE said: 'SUETSUGU is the obstacle of this Cabinet.'"

On the way home, I called on the Navy Vice Minister at the Navy Minister's official residence and inquired into the recent situation. The Vice Minister of the Navy said: "There is no great change. In case the rightists become too boisterous, it will be well to have the Kempei and the Navy suppress them. At the same time, SUETSUGU's resignation should be taken advantage of, and the proper man appointed to the post of Home Minister."

After I finished some business at the Sumitomo Bank, I had lunch with MATSUDAIRA. At about 4:00 p.m., I talked with the Navy Minister at his office. The Navy Minister said: "I was unexpectedly told by ITAGAKI: 'There are rumors that KONOYE is going to resign. Such an act

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is inexcusable and I think such rumors are untrue. It would be perplexing if he should resign under these circumstances.' I (Navy Minister) added: 'I do not think that he would resign. It would be troublesome if he should.' We parted on that."

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Chapter 305
(29 November 1938)

Intrigue to Oust Suetsugu

Translated by T/Sgt Tadashi Ishishita

Before I went to the American Embassy for the farewell party in honor of Ambassador HORINOUCHI, I conversed with KIDO. KIDO said: "When I conversed with ITAGAKI, he said: 'We will definitely be in difficulty if KONOYE resigns now. As far as China is concerned, it is a certainty that the resignation of the Cabinet will be very disadvantageous to the Army. Moreover, the entire nation will be troubled.' He added repeatedly that KONOYE should not resign."

Minister TANI, who happened to be there with us at that time, was eagerly telling KIDO about the stories circulating in Shanghai. TANI said: "Every time I meet persons such as KERR, the British Ambassador to China, they said: 'Isn't it better for KONOYE to resign before CHIANG Kai-shek retires?' I (TANI) personally think that it is very bad for internal troubles to become known on the battlefront. Thus, deep consideration must be given to this matter for it will have great influence on the battlefront and also will be of aid to the Chinese."

KIDO then said: "KONOYE will never listen to the advice given by his close friends like HARADA or myself. Therefore, advice from recently returned overseas officials or persons who do not associate closely with him, may dissuade KONOYE from resigning his post. Before you (TANI) leave for overseas duty, please explain the situation to KONOYE and IKEDA."

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I called on the Lord Keeper of the Privy Seal that afternoon and conversed with him on the way home from the American Embassy. The Lord Keeper of the Privy Seal said: "It would be very unfavorable if KONOYE should resign now. The Emperor thinks that it would be distressing to have KONOYE resign from his post."

On the evening of the 24th, I left for Yugawara and talked with MATSUDAIRA, the Chief Secretary to the Lord Keeper of the Privy Seal, who was recuperating in Yugawara for two or three days because of neuralgia. I spent a night in Yugawara and on the following morning, I left for Okitsu to meet the Prince. Since the Prince had just recovered from an illness, I thought it would be better not to have a long conversation with him. Therefore, I explained the latest political developments to him for 15 minutes. In conclusion, I added: "After all, the prevailing condition is that KONOYE cannot leave his post." It seemed that the Prince had recovered completely and he is sitting up and reading books. Yet, it seemed that he was in a tired condition.

When I returned home on the evening of the 25th, I received a phone call from Maj. Gen. SUZUKI who just returned from overseas duty. I visited him at his residence on the morning of the 26th and I congratulated him on his appointment as the Chief of the Political Affairs Section of the Asia Bureau (Cabinet). On the way home, I had a long conversation with the Navy Minister and Vice Minister YAMAMOTO at the official residence of the Navy Minister. I advised him: "If KONOYE is to be dissuaded from leaving his post, have the War and Navy

Ministers do it. KIDO and HATTA should be made to cooperate with them. Undoubtedly, the problem concerning SUETSUGU, the Minister of Home Affairs, is the most troublesome. Finance Minister IKEDA has said: 'The rightist power is now flourishing within the authority of Home Minister SUETSUGU and unlawful sign-boards mentioning the relations with Russia as well as with England, government control of finance, political reform, etc. are placed in various places. Furthermore, since the contents of these sign-boards propagate something similar to communism, the financial circles cannot become settled. In this connection, I (IKEDA) cannot possibly retain my post.' The urgent problem at the moment is to make it possible for IKEDA to carry out his work. By this, not only IKEDA, but KONOYE as well, can set their minds at ease." The Navy Minister agreed with my opinion and said: "I must do something about it."

After I finished my work at the Sumitomo Bank, I phoned the Foreign Affairs Ministry and made a luncheon date with Ambassador HOTTA who had just arrived at the Foreign Ministry. I went with Ambassador HOTTA to the Kinsui at about 12:30 p.m., and enjoyed a long conversation with him. Ambassador HOTTA said: "The relations between Germany and Italy are considered differently in Europe from that in Japan. It does not mean that both Italy and Germany are united. No matter how Germany and Italy state their diplomatic complaints against England, the general atmosphere is that both nations strongly desire to maintain their friendship with England, both economically and financially. Furthermore, Germany is endeavoring to be intimate with England

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in diplomatic affairs. On the surface, Germany and Italy seem cooperative; however, it is a fact that their relationship is bad due to colonial problems. The Japanese viewpoint of the Anti-Comintern Pact is very different from that of the European by the existing political situation in Rome."

Since I intended to meet ARITA at the office of the Foreign Minister at 3:00 p.m., I met Minister ARITA at his office together with HOTTA, Minister TANI also came to visit ARITA. After the conversation with ARITA, Minister TANI and Ambassador HOTTA accompanied me home in my car and we conversed on various matters until 6:30 p.m. According to the conversation, there is a great difference in some matters. I learned that TANI and HOTTA were very familiar with those matters and they had gotten together with SAWADA and talked all through the night at the Hachiryu.

Early on the morning of the 29th, I paid a visit to the Premier's residence. As I expected, KONOYE said: "If circumstances would permit, I think it is better to resign. Is it not so? However, ITAGAKI of the Army says it would be troublesome to resign from the post. It seems that I cannot possibly resign. As a matter of fact, KAZAMI (Chief Cabinet Secretary) also stated that he wishes to resign because of the hopeless situation. HIRANUMA distinctly stated: 'I cannot succeed KONOYE by any means.' KAZAMI was saying yesterday that he would call on KIDO and persuade him regarding this matter." I told KONOYE: "At this juncture, consider the matter quietly and see if we can help IKEDA maintain his post. If SUETSUGU should resign by stating such things, let him do so. Since this

is a good opportunity, let's stabilize the conditions of peace and order. Then, IKEDA won't hesitate to maintain his post." KONOYE said: "IKEDA has said: "As long as YUKI remains at his post as the Governor of the Bank of Japan, it does not make such difference who should be appointed as the Finance Minister. The most suitable man for the post of Minister of Finance is Vice-Minister ISHIWATA.' However, I (KONOYE) am afraid that ISHIWATA is not the right man for that position."

KONOYE was to call on Gen. SUGIYAMA at his residence prior to SUGIYAMA's departure for North China as the Commander-in-Chief of the Army Forces there. On the way home, I called on KIDO at his residence. KIDO said: "The most troublesome thing is that KONOYE is not composed. As soon as KONOYE makes his decision, I wish to take decisive action. In connection with this matter, KAZAMI has been calling on me to accept the office of the premier; however, it is absolutely out of the question. When I explained the circumstances for my not being able to accept the premiership, he retracted his opinion and went home." I said to KIDO: "Perhaps you should become the Premier. By cooperating with two or three of the Cabinet members and by supporting the War and Navy Ministers, have SUETSUGU resign from his post. At the same time, rightist elements should be beaten down. Fortunately, the Army is disgusted with the rightists controlled by SUETSUGU and it would be advantageous to work with the Army by gaining their support. Furthermore, if the police should bear down on them in a resolute manner, it would be fine. Anyway, we will be distressed if you do not maintain your post." KIDO replied: "Well, if the

Premier would settle down, I will do my utmost. SUETSUGU's resignation will also be fine. SUETSUGU might not be thinking of resigning for he has recently said: 'Assign some leaders from the existing political parties in the Cabinet and prepare for the Diet.' However, I think it appropriate to have SUETSUGU and IKEDA remain at their posts. Minister IKEDA cannot possibly remain at his post unless SUETSUGU would reorganize the departmental staffs and then put an end to his connections with the young rightists holding sway over the Local Bureau and the Police Bureau. I wonder if SUETSUGU is able to do such a thing?"

I went to the Palace a few minutes before noon and transmitted the conversation that I had with KIDO and KONOYE to the Lord Keeper of the Privy Seal. Later I dined and talked with MATSUDAIRA, the Chief Secretary to the Lord Keeper of the Privy Seal. At 2:30 p.m., I called on YUKI, (Governor of the Bank of Japan) at the Bank of Japan. I advised YUKI: "I want you to talk to the Navy Minister and the like of the present financial condition and also mention the fact that the rightist problem, as well as the problem of peace and order, exert a harmful influence over the economic and financial world. Then you should get together with the War and Navy Ministers and force SUETSUGU to resign from his post." Governor YUKI was quite agreeable to my opinions and he said: "When I was strolling on the streets, I saw numerous signboards with communistic tendencies. They included such things as: The government control of finance; political reform; attacks on liberalism; and attacks on foreign policies concerning Russia and England. How can the financial circles be stabilized without taking strict

control over such things? Since domestic conditions are such, I am afraid that this may have reverberated to foreign nations." I (HARADA) said: "You should talk this matter over with the Navy Minister, and at the same time, advise IKEDA to hold on. Even War Minister ITAGAKI has said of the Home Minister: 'SUETSUGU should resign from his post.' In certain respects, it is very easy for the Army to carry out this problem. Therefore, if KONOYE is afraid to be considered the villain, KIDO, HATTA, or ARIMA can do so. Please give us your fullest cooperation and try to carry this problem out."

After the conversation, I returned home and enjoyed dinner with HIROHATA (of the Imperial Household Ministry), OYA, and OTANI. We talked from about 6:00 to 10:00 p.m. At 10:30 p.m. Overseas Affairs Minister HATTA called on me so I explained the conversation that I had with the Governor of the Bank of Japan. I asked him: "Would you cooperate with KIDO and see if you can work this problem out so that it can be settled?" In reply, he said: "I talked with TANI at the meeting regarding this problem. This is not the time for the Cabinet members to resign. I understand the rightists very well and they can easily be influenced. They must be supressed to a certain extent. I will discuss such matters with Welfare Minister KIDO, and at the same time, I will do my utmost to calm down the atmosphere." Then Minister of Overseas Affairs HATTA went home at about 11:30 p.m.

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Chapter 306
(7 December 1938)

Hiranuma on Sino-Japanese Relations

Translated by T/Sgt Tadashi Kishishita

On the 29th, I met the Lord Keeper of the Privy Seal and we talked about the latest developments. It seems that KONOYE feels that it is impossible for him to resign.

The Chief of Metropolitan Police Board who called on me early on the morning of the 30th, said: "The other day, there was a rumor spreading out widely that 20,000 people are intending to gain their ends with a coup d'etat. Therefore, the Army and Navy were terribly worried over the matter. At that time you called on me and asked from where this rumor had originated. Even the Ministry of Home Affairs did not have the least idea in regard to this point. However, according to the latest information, the origin of this rumor was found after a thorough in - vestigation. That is, when IKEDA Hideo (a member of the House of Representatives) called on Maj. Gen. MOCHINAGA, the former Commandant of the Tokyo Kempei-tai, who was from the same home town, MOCHINAGA explained and showed IKEDA the documents concerning the coup d'etat planned in 1933. Upon having read the document, IKEDA was astonished and later spread this fact to the public. Due to this, the public began to worry because it sounded as if there was another plan set for such a plot. Since the origin of this rumor was such, there was nothing to be concerned about. After the Chief of the Metropolitan Police Board explained the situation, he added that the measures taken against the rightists and the sign boards placed on the various places are, after all, another ventilation charged against the rightists. If politics were carried out with

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the rightists as the main body, it would leave us in a difficult position."

This was the day the conference in the Imperial Presence was convened. The Chief Cabinet Secretary was alone at the official residence of the Premier. Since I was not particularly busy, I phoned KAZAMI and asked him to meet me. The Chief Cabinet Secretary agreed with me pleasantly so I conversed with him for about two hours in the Premier's living room. The idealist, KAZAMI, said indignantly: "Once again, I had a long conversation with IKEDA, the Minister of Finance, last night. I explained to IKEDA saying: 'Undoubtedly, the members of the present Cabinet are somehow similar to Tuchyns (Chinese War Lords). It seems all of them have different opinions and have someone backing them. Therefore, Japanese politics will never be improved because there are persons in the House of Representatives who desire to become government officials, if they are fortunate enough. And at the same time, there are some members concerned only about themselves in the Diet. As far as the KONOYE Cabinet is concerned, the public is depending on KONOYE's personality. Thus, Japan's politics would have a long way to go in improving itself. Although they may feel rather secure, in reality, Japanese politics is not advancing at all. It is absolutely hopeless so I have been advising the Premier: 'Replace the 'Big Three' (War Minister, Inspector General of Military Training, and Chief of the General Staff Headquarters), by all means.' However, KONOYE does not seem to listen to my advice. After all, the Premier is faced with a situation where he cannot possibly leave his post. It does not make much difference

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no matter how the rest of the Cabinet members be interchanged. At any rate, it is very disturbing and a problem which I am considerably concerned over."

When I met MATSUDAIRA at noon, I asked him to transmit the previous matters to the Lord Keeper of the Privy Seal. I shall interpose the documents discussed at the conference in the presence of the Emperor.

POLICY FOR THE READJUSTMENT OF SINO-JAPANESE RELATIONS
(Subject in the Council held in the Imperial Presence: Oct. 30)

Japan, China and Manchukuo, uniting closely for the establishment of a new order in the Far East, will have as their common objective, their existence as the core of peace in the Far East. The fundamental principles to realize this are as follows:

I. The establishment of an alliance among the three nations based upon reciprocity; especially the principles of neighborly goodwill, common defense against communism and economic collaboration.

II. The establishment of a strongly consolidated economic and defensive belt by Japan and China in North China and Inner Mongolia (especially the utilization and development of natural resources).

The establishment of specific military and political posts in Mongolia, other than mentioned in the preceding article, for the purpose of combatting communism.

III. The establishment of a strongly consolidated

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economic belt by Japan and China in the area along the lower reaches of the Yangtze River.

IV. The establishment of specific posts on designated islands along the coast of South China.

The more concrete matters pertaining to these principles conform to the appended documents.

APPENDED DOCUMENTS

MAIN POINTS FOR THE READJUSTMENT OF SINO-JAPANESE RELATIONS

I. The Principles of Neighborly Goodwill

The three nations; Japan, China and Manchukuo; will respect the national characteristics of each other and by close cooperation, peace in the Far East will be ensured. In order to realize this goodwill, the nations concerned will take measures to promote mutual cooperation and goodwill.

A. China will recognize Manchukuo; Japan and Manchukuo will respect the territoriality and sovereignty of China; and Japan, China and Manchukuo will improve their diplomatic relations.

B. The nations concerned will suspend all measures and causes which tend to destroy mutual friendship in such matters as administration, diplomacy, education, propaganda, trade, etc. They (measures and causes) will be abolished in the future.

C. The nations concerned will carry out diplomacy which is based upon mutual cooperation.

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Any violations of this provision will not be taken up with another nation.

D. The nations concerned will cooperate in the fusing, creation and development of culture.

E. The political formation of this New China will be based upon a federation of states. Inner Mongolia will be declared a strong independent anti-communist bloc. Shanghai, Tsingtao and Amoy will be declared special administrative districts based on existing policies.

F. Japan will delegate a few advisers to the New Central Chinese Government to cooperate in this new undertaking. Advisers will also be placed in necessary agencies in the strongly consolidated areas as well as other specifically designated areas.

G. Together with the embodiment of friendly relations among Japan, China and Manchukuo, Japan will consider the gradual return of concessions and extra-territorial rights.

II. The Principles of Common Defense

The three nations; Japan, China and Manchukuo; will combat communism. Together with this, they will cooperate in the preservation of common peace and order.

A. The nations concerned will destroy all communistic elements and organizations within their respective areas and cooperate in such matters as information and propaganda concerning communism.

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B. Japan and China will cooperatively carry out an anti-Comintern policy.

For this purpose, Japan will station necessary troops in strategic areas in North China and Inner Mongolia.

C. In addition to this, Japan and China will conclude an anti-Comintern Military Alliance.

D. Japanese troops, other than those mentioned in Article B, will be withdrawn at the earliest possible opportunity according to the general as well as the local atmosphere. However, troops stationed in North China and the triangular area contained by Shanghai, Nanking and Hangchow, will remain until peace and order are restored there. For the sake of common peace and order, a few naval units will be stationed at specifically designated points along the Yangtze River and on the islands along the coast of South China. Furthermore, naval ships will be permitted to anchor freely along the Yangtze River and the coast of South China.

E. China will have the obligation of financial cooperation concerning the Japanese occupation troops stationed for the purpose of maintaining peace as mentioned previously.

F. Japan will maintain the rights to the control and utilization, in a military sense, of railway, air and communications facilities, as well as principal harbors and waterways, in the areas occupied by her troops.

G. China will reorganize and improve her military and police forces. For the time being, disposition of such personnel and military installations in the Japanese occupied areas will be kept at the minimum necessary for peace and order and national defense. By the dispatching of advisors and supply of weapons, Japan will support China in this reorganization and improvement of her police and military forces.

III. The Principles of Economic Cooperation.

In order to effectuate this policy of mutual cooperation and defense, the nations concerned will make it their objective to supplement each other on the strong and weak points in their respective industries and economics.

A. In order to realize the previously mentioned principles as well as the separate articles under each of them, the nations concerned will make necessary agreements for the development of natural resources, customs taxes, trade, aviation, transportation, communications, meteorological observations and land surveying.

B. One of the main points of this policy concerning the development and utilization of natural resources is the fact that raw materials insufficient in Manchukuo and Japan, especially underground resources, will be supplied from North China and Inner Mongolia. From the standpoint of mutual defense and economic unification, China will accord special favors. Even in other

areas, necessary favors will be accorded for the purpose of the development of designated natural resources.

C. Where general industries are concerned, Japan will respect Chinese enterprises and will give necessary assistance. Where agriculture is concerned, Japan will aid in its improvement, and thus, provide security for the lives of the Chinese people. In like vein, a plan for the cultivation of raw materials essential to Japan will be devised.

SUPPLEMENT

I. China will make reparations for the damages inflicted upon the rights and interests of Japanese citizens since the outbreak of the Incident.

II. It is only a natural conclusion that the economic activities and the rights and interests of other nations in China will become limited due to the increased economic cooperation among Japan, China and Manchukuo. However, the increased cooperation as mentioned previously will be limited within the scope of the necessity of national defense and existence. It is not meant to curtail or limit the activities and rights and interests of other nations by exceeding their scope.

The Opinions Expressed at the Council in the Imperial Presence by HIRANUMA, the President of the Privy Council

I shall respectfully express my opinions. This bill indicates the general outline of the articles based on the readjustment of Chinese relations, and it should be the foundation of the establishment of a New East Asia. In general, the contents

of the bill are considered appropriate, and in principle, not impossible. However, it cannot be considered that there will be no obstacles when this bill is put into effect. It is not necessary to mention that we must exert ourselves to eliminate them to realize our ends.

Looking at the articles appearing in this bill, many of them deal with the necessity of matters concerning new political regimes and treaties of China in the future. They will have a great influence on the interests of other nations. Even though the general policies will be determined, we must consider the necessity of the weighing of the relative importance of matters in view of the trend of a new political regime and the relationships with other nations.

In order to effectuate the articles included in this bill, there are certain matters which require serious consideration. First, there is the establishment of peace and order in China. Even within the Japanese occupied areas, there still remain elements of communist troops and guerillas. Unless these elements are overpowered and made to submit to us, it will be impossible to advance our varied projects, particularly our economic project. Therefore, it is desired that the first problem to be settled is that of the immediate restoration of peace and order.

The second problem is that of winning over the people of China. If public sentiment cannot be controlled, it will be impossible to maintain anything over any period of time although a temporary success may be realized at the expense

of great effort. Therefore, it is very urgent that we teach the Chinese people our spirit of understanding and benevolence. If the fact that they can live in peaceful security within the Japanese occupied areas is made clear to the people, they will submit themselves to the Japanese authorities. In the event that the masses should submit themselves, then the anti-Japanese propaganda of the cultured Chinese will not succeed.

The third matter is the fact that serious consideration must be given to the establishment of a new political regime in China. As a matter of formality, it would be advantageous to have this establishment of a new political regime on the initiative of the Chinese themselves. In actuality, however, they must rely on the guidance and aid of our government. In our government's guidance and support of this movement, justice and mercy must be meted out so that the Chinese people will be stimulated into realizing our sincerity. At the same time, we must have them realize that they cannot possibly rise against us.

If the Chinese people should distrust or despise us, the bill cannot be effectuated. In this connection, we must not make any misjodgment.

My opinions on the various articles are as follows:

I. Fundamental Matters

The fundamental matters as they appear on the bill, are all reasonable.

II. The Principles of Neighborly Goodwill

Hiranuma on Sino-Japanese Relations

There is no general objection to the articles. However, there is need to call Articles B and C to your attention. In Article B, it is mentioned that the political formation of the New China will be a federation of states. I believe that China has always been a nation where it has been more convenient to have a federation of states and I believe that this still holds true today. There is something which we must give consideration to concerning Inner Mongolia. It is mentioned that Inner Mongolia will be made into a strong independent anti-Comintern bulwark. In other words, just preceding the word anti-Comintern, there is the word independent. Strong independence may be necessary to combat communism, but other than for this anti-Comintern purpose, there is need of a strongly independent Inner Mongolia. The sovereignty of China will be recognized in Inner Mongolia, but it is necessary that Inner Mongolia have separate internal administration. Even in the case of its relationship with Manchukuo, the same will hold true.

It is mentioned in Article G that Japan will consider the gradual return of concessions and extra-territorial rights. There is no objection to this, but I believe that it will be impossible to put this into effect immediately. Concerning extra-territorial rights, our relations with Manchukuo are inseparable. Since a judicial system has been perfected, extra-territoriality has already been conceded. China cannot be considered in the same light with Manchukuo, and it is clear that extra-territorial rights cannot be returned to China immediately. The various nations of Europe, and the Americas, are still retaining their extra-territorial rights and concessions there. If we are to return thes

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rights to China, then it is only natural that we must have the others follow suit. It is also stated that Shanghai, Tientsin and Amoy will be designated special administrative districts according to existing policies. An explanation is necessary as to what these existing policies are.

III. The Principles of Common Defense

There is no objection to matters mentioned here. It is an inevitability that necessary troops will be stationed in North China and Inner Mongolia for the sake of defense and that troops will be stationed in North China and in the triangular area contained by Shanghai, Nanking and Hangchow until the restoration of peace and order there. However, if we are to station troops, it is necessary that certain areas be designated as occupation areas. If such is to be the case, I believe that there is need of administrating those areas under our guidance.

IV. The Principles of Economic Cooperation

All the articles appearing here are reasonable. In spite of their propriety, I believe that their effectuation will be difficult. The main difficulty to be conjectured is the relations with other nations.

Cooperation among Japan, China and Manchukuo will act as great stimuli to other nations. There is a fear that this may give rise to the suspicion that an economic bloc involving Japan, China and Manchukuo, will serve to eliminate, in an economic sense, other nations. Needless to say, it is necessary that this suspicion be removed. Economic cooperation among the three nations will not affect the rights and interests of other nations.

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In the last article of this bill, it is stated that it is only a natural conclusion that the economic activities and the rights and interests of other nations in China will gradually become limited due to the economic cooperation among Japan, China and Manchukuo. Such a result is inevitable for the establishment of a New East Asia. Therefore, any nation, which recognizes our position, must tolerate it. To other nations, we must emphasize that we were compelled by conditions to embark on such a course. We must endeavor to have the other nations examine themselves. In spite of this, if other nations should seek unreasonable retaliations instead of recognizing our sincerity, we should have some resolute plan to counter this action. In view of the present world situation, it is clear that there is no other nation that can oppose us with military power. However, we cannot avoid changes in the situation. We cannot positively state that danger may not result from some causes in the future. It is needless to mention the necessity of devising a counter-plan and to prepare for it. If it should be economic reprisals, there is immediate danger of it. It is the prime function of diplomacy to devise a plan so that economic reprisals will not be taken. I keenly feel the necessity of studying the means of opposing any such actions by other nations. Therefore, I earnestly desire that thorough investigations be made on these points.

The foregoing is the general opinion regarding the articles of the proposed bill. Other than this, I wish to say a few words concerning internal administration related to this matter. Everyone realizes the tremendous sacri-

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fices made by our nation in this Incident. The national expenditure has been great. Moreover, the officers and men abroad have sacrificed their lives in serving their nation and the people on the home front have bravely endured hardships to do the same. In the light of the great sacrifices paid, some of the people may be dissatisfied with the contents of this bill. Consequently, there is no assurance that some radical means may be resorted to. On one hand, education must be spread so as to lead the people on a moderate path; on the other, rigid control must be enforced and dangerous activities suppressed. By these means, we must do our utmost so that unforeseen disaster will not strike. These are the essentials of internal administration. I sincerely desire that the officials concerned will devote their utmost caution on these points.

I met Finance Minister IKEDA at his residence at 0:30 a.m. on the morning of the 1st and inquired about the Council in the Imperial Presence. The Finance Minister said: "The Council ended without great trouble. First of all, the Premier explained the reasons for convening the Council that day. And then, because of the absence of the Chief of the Army General Staff, the Deputy Chief of the Naval General Staff made the opening speech. At the end, HIRANUMA talked about the previous matter after an explanation given by the Minister of Foreign Affairs, saying: 'This is not a question, however, I would like to inquire about the facts for the sake of emphasis in regard to the eight points! The responsible minister replied to his question."

IKEDA's actions cannot be ascertained until his return to Tokyo on the 8th; however, I advised him (IKEDA) to maintain his post as long as his health would permit and as long as the KONOYE Cabinet lasted. In reply IKEDA said: 'Since it is time for the opening of the Diet, it would be troublesome if the system should be changed and a new Minister of Commerce and Industry appointed. It would also be perplexing to have my plans ruined by another just when they are bearing the desired results. Of course, there are some who criticize MURASE, the Vice Minister of Commerce and Industry but he is not only a fine man, but a good tempered person as well. It would be easier for me if someone like him were appointed as the Minister of Commerce and Industry and then attend the Diet sessions by supplementing him with others. I feel that it is the most appropriate measure we can take."

On the way home, I called on KIDO and conversed with him. KIDO eagerly said: "It seems that KONOYE has still not made up his mind; however, in the meantime, he may recover his composure. As soon as KOFOYE decides, I am determined to exert myself to the utmost."

After that I conversed on various matters with Navy Vice Minister YAMAMOTO when I called at the official residence of the Navy Minister. On the evening of the 1st, I went to Oiso and rested there on the 2nd. On the evening of the 3rd, I went to Yugawara and since MATSUDAIRA, the Chief Secretary to the Lord Keeper of the Privy Seal, was coming for the weekend, I had him meet with the three ministers in my place and received that report

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from him. Furthermore, the budget for the following year was formulated by the Cabinet on the 2nd, and the complete figures were carried by the evening papers. Therefore, I phoned YUKI (Governor of the Bank of Japan) and asked him about this matter on the morning of the 3rd. YUKI said: "The financial situation is comparatively satisfactory. There is not much to worry about. Because of various rumors spreading around, we have been hampered. However, on the whole, it is satisfactory."

MATSUDAIRA said: "I met the Minister of Overseas Affairs and he said that he had a long talk with the Minister of Home Affairs the other day, but it seems the Minister of Home Affairs, personally, has no intention of resigning from his post. The Minister of Home Affairs was eagerly talking about the problem of Article XI. The day before Article XI was submitted to a Cabinet meeting, TAKI, the President of the Planning Board, despite my advice, said: 'It is not desirable to present the National Mobilization Bill without Article XI. It would be better to add Article XI than to omit it. If Article XI is not to be presented, it is better to postpone the whole thing.' However, the bill was submitted to the Cabinet without the addition of Article XI. The Minister of Home Affairs was saying: 'There is a possibility that the war industries and peacetime industries will not strike a balance. Therefore, in order to strike a balance in these industries, this Article XI must be applied. Then, the war industries must be put on the level with the peacetime industries by cutting down the great earnings of the war industries.' However, it was difficult to understand whether it was the

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Minister's personal thought or someone else's. In the conversation, Minister of Overseas Affairs HATTA advised the Minister of the Home Affairs: 'At the present time, it is natural that some improvements are necessary for our country, but it would be inexcusable to get into such confusion just to improve internal affairs. Actually, Article XI has been put into action and it seems its influence on the public is satisfactory. Support of KONOYE is absolutely necessary. It seems that the Minister of Home Affairs realizes that he has been criticized for his gentle attitude towards the rightists. I am carrying on negotiations so that he will not commit any blunders. I shall have a long talk with IKEDA, the Minister of Finance, when he returns from the Kansai region.'

"The Minister of Overseas Affairs advised the Home Minister: 'It is a failure on your part that control has not been maintained over the anti-government placards. The following matters have appeared: criticism of government control of finance and foreign policy which is detrimental to national security; and also criticism which has jeopardized the policies of the Foreign and Finance Ministers.' The Home Minister replied: 'As a matter of fact, I am also opposed to that. It is a checkmate against the rightist elements.' The Minister of Overseas Affairs said: 'There appears to be a considerable number of men among the government officials and members of national companies who have changed over from the Communists. These men must be watched very carefully.' It appeared as if the Home Minister understood this matter well.

Hiranuma on Sino-Japanese Relations

"When I conversed with ARITA, the Minister of Foreign Affairs recently, he said: 'As far as the Cabinet is concerned, it intends to carry out the anti-Comintern Pact only against Russia as has been maintained from before. The decision made at the Five Ministers' Conference cannot be changed. Even at the Five Ministers' Conference, it had been decided to carry out the anti-Comintern Pact only against Russia. After the reply was sent to both the English and American Ambassadors, a conference was held and they now understand our position since the contents of the reply were explained to them in detail. As far as natural resources in China are concerned, both nations have already given up their hopes against Japan possessing priority. However, the atmosphere is such that it would be distressing if trade should be monopolized by Japan. Therefore, I wondered how such things had become troublesome. The fact of the matter is that a certain Japanese national called on the American Consulate and said that the Japanese would not permit trade between the United States and China unless the Japanese were permitted to intervene. The American Consulate sent a report immediately to the State Department (U.S.). As a result, the American Ambassador mentioned this to the Minister of Foreign Affairs. In reply, the Minister of Foreign Affairs explained: 'No such thing has ever been brought up. We have no intention at all of monopolizing the trade. As far as trade is concerned, it is absolutely free. There is no reason why Japan should go as far as to monopolize it.' The American Ambassador was very pleased and replied: 'It is very good news. I shall send this news to the State Department immediately. It would be very perplexing unless Japan

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does something about balancing trade. If Japan does this for us, we intend to concede other important matters to Japan. So please do something about balancing trade.' This will not be published in the papers, but I (ARITA) believe that good results could be obtained by continuing these meetings with the English and American Ambassadors.'"

MATSUDAIRA continued: "The Foreign Minister also said: 'In regard to the fishing problem between Japan and Russia, the Russian attitude is more forceful than that of last year. It is said that, the Russian attitude has always been like this and it will eventually be extended. However, at the present time, nothing definite can be said.'

"The Lord Keeper of the Privy Seal has said: 'The Finance Minister called on me the other day and he was very concerned over the trade and finance problems. The Finance Minister said: 'If the financial facilities in London are denied to Japan, trade and financial exchange will be impossible. This is the point that I am worried about. I have often repeated at the Cabinet Councils that it is a great disadvantage to consider England and the United States as enemies. It seems that certain elements in the Army are considering the borrowing of money from England. On the other hand, there is an element wishing to destroy England. It is really disturbing that they cannot be unified. Because of the relations between Japan and Germany, American public feeling is against us and the only ones selling merchandise to us are the Jews. If Japan should take strict measures against the Jews because that is the case in Germany, some discrimination will arise in trade. Careful consideration is necessary in this

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respect. Although matters are complicated, trade in November was better than before.'

"The Lord Privy Seal also said: "A certain section chief of the Army came to converse with the Finance Minister concerning the foreign policy. The Finance Minister is said to have advised him to speak to the Foreign Minister on matters concerning foreign policy. It is the Finance Minister's opinion that it is wrong, as far as official discipline is concerned, for a section chief to interfere and approach a minister directly.'"

I went to Okitsu on the 4th with such information and after resting that day, I went to meet the Prince on the 5th. Concerning the statements of Finance Minister IKEDA, the Prince said: "Those have been my opinions from long ago."

In a very aggravated manner, the Prince continued: "Looking at matters from the standpoint of our national reputation, the publication of the many inconsequential newspapers and magazines is a very shameful thing. There appear to be a great many such newspapers and magazines being published recently which are doing great harm to our national reputation and I wonder just where the capital for such enterprises is coming from. It is indeed a shameful matter that there are persons who furnish such capital."

I returned to Oiso on the evening of the 5th and called KONOYE on the phone. KONOYE said: "I intend to go to Kyoto on the 10th to pay homage on the anniversary of the demise of Emperor KOMEI. I am staying in the Kyoto and Osaka district on the 11th and the 12th. I intend to give a speech in Osaka concerning the New Policy for the Readjustment of the National Treasury."

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Chapter 307
(10 December 1938)

Kagesa and Wang Ching-wei Plot

Translated by S/Sgt. Clyde Nakechi

On the evening of the 8th, I returned to Tokyo and invited the officials of the Railways Ministry to the Kairakuen and returned home around 9:30 p.m.

On the morning of the 9th, I called on KIDO and when I inquired about the subsequent situations, he said: "It seems as if matters have gradually calmed down. However, the fact is that KONOYE's trip to Osaka is in connection with an affair concerning China. As he had casually mentioned the giving of a speech in Osaka beforehand to the chief secretaries of both parties (the Minseito and the Seiyukai) without mentioning the fact to the newspaper reporters, it was a very perplexing problem. Therefore, Chief Cabinet Secretary KAZAMI barred all publication of articles concerning KONOYE's trip to Osaka. This again became a very perplexing problem and created complications between the reporters and the Chief Secretary of the Cabinet."

As for the question of national reorganization, I cautioned KIDO by saying that since the prefectural police and officials seem to be considering this(the reorganization of the nation) as their aim for the dissolution of the political parties, any bungling on our part may be severely dealt with by the existing political parties. KIDO said: "KONOYE also acknowledges the above facts."

On the evening of the 9th, I (HARADA) had invited guests to my home for memorial services, KONOYE suddenly

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called and said: "I wish to have supper with you and speak to you. Please come." Therefore, after greeting my guests I excused myself from the ceremony at 7:00 p.m. for a short while. We called MATSUDAIRA, the Chief Secretary to the Lord Keeper of the Privy Seal, to the Kuwana and spoke about various matters.

KONOYE said: "I have suddenly decided not to go to Osaka. I am to be ill from tonight." I (HARADA) inquired: "For what reason?" KONOYE replied: "The fact is Colonel KAGESA and Lt. Col. IMAI, who have been plotting with WANG Ching-wei, have gone to China. With WANG Ching-wei and an individual called MEI Shi-ping together with SI I-Nsien as the mediator, they are planning something. The Army calls this activity the WATANABE plan. Moreover, if they are not being deceived, this strategy will gradually near success. The fact is that WANG Ching-wei was to sever relations with the CHIANG Government around the 5th. Although the general conditions were ready before the actual severance of WANG Ching-Wei from CHIANG, the signing of the terms was completed. The principle points are, of course, the anti-Communism agreement, and as far as North China in general is concerned, Japanis to take possession of the natural resources. Furthermore, we shall not participate in the domestic administration of China. Regarding the international questions, the principal point is (for China) to work with Japan by taking cooperative action. In connection with foreign relations, such terms as conditional equality, equal opportunity and the principle of the open-door policy were created in an economic sense. Hence, including such matters,

the Council in His Imperial Presence was petitioned and the matter settled the other day. For this reason WANG Ching-Wei appealed to us saying: 'Won't the Japanese Government make some opportunity for us? To realize that, I request the Premier to make another official statement.' However, as I had just made a statement a short while ago it would not do to make statements too frequently.

"Since I (KONOYE) had promised to explain the government policy in general to the nation after the Council in His Imperial Presence, I decided to go to Osaka and deliver a speech for that purpose. In that speech, I was to say that if Wang Ching-wei conceives of measures adequate to both parties, then he will issue an official statement in regards to the peace solution of the Sino-Japanese question and sever relations with CHIANG Kai-shek. However, a telegram came this morning stating: 'As CHIANG Kai-shek, who was in Kunming, has returned to Chungking, it has become rather difficult to make a statement. Moreover, it is not known as to how many days he will stay in Chungking, but I will inform you after CHIANG Kai-shek leaves Chungking. Therefore, if Premier KONOYE would make his speech following my notification, I can simultaneously make a statement. Please prolong that matter.' This is the second time they have prolonged that matter. It is unlikely that we are being deceived, but as the other party is Chinese and if we are to take the bad aspects of the matter, we may have been deceived until today. I am very concerned over this matter and I have informed His Majesty also. For this reason a detailed explanation was made to His Majesty in regard to my sudden illness and the

cancellation of my trip to Osaka. Then, publicly, I am to leave for home around 10 o'clock today and go to bed. Tomorrow, I will call the doctor and cancel my trip to Osaka. I desire that you fully understand that point. It is unlikely that we have been deceived and strung along up to the present. However, if we think of the worse aspects, it may be as we fear. In actuality, I am perplexed KAO Tsung-wu is a politician but MEI Shi-ping is sort of a leader of the peasants and is indeed a very remarkable individual."

KONOYE added: "At any rate, if we were being deceived, it is the responsibility of the government. The public does not acknowledge that fact, but this will bring a great responsibility upon the War Minister and myself. Therefore, the Cabinet must change and we must carry on with an effective Cabinet. The Foreign Minister says: 'Instead of dealing with such individuals, the government should commit itself to the existing policies.' However, it would appear odd not to prolong the issue when we were so requested. Well, it's like gambling and I am perplexed. Please explain this fully to the Prince." A little after 9 o'clock, we returned home.

On the morning of the 9th, I met the Foreign Minister and inquired about various matters. When I met the Lord Keeper of the Privy Seal for a short while on the 11th, he said: "Regarding the plot over which the Premier is concerned, it would be better if you do not worry yourself. At any rate, such matters as plots have a possibility of success at times, and at others of failure. Since we are dealing with China, it is unpredictable. When I conversed

that to the Emperor, His Majesty said: 'Plots are very unreliable. As a whole, the general principle is that it cannot be successful and a success is a miracle.' It seems as if His Majesty took this matter very lightly."

I left that evening and went to Okitsu. On the morning of the 12th, I called on the Prince. When I reported the entire matter, he said indignantly: "I am indeed confused. The foreign policy and the government's administration of Japan is very poor."

When I inquired from Okitsu about the situation from MATSUDAIRA, he said: "It was said that the Chinese have requested about a week's delay. Last night, I called on KONOYE and spoke about various matters, but KONOYE was comparatively calm." I conveyed this to the Prince. I also mentioned that we had told KONOYE: "It is not a question of taking your responsibility directly. In the first place, if you carry on by relying on such matters, you are indeed mistaken." It seems that the Prince was of the same opinion.

After all, conspiracies are not adaptable to a civilized form of government administration and foreign policy. The foreign policy of Japan is indeed poor. Consequently, Foreign Minister ARITA does not rely on such stories. Also, diplomacy as such, must be conducted along a righteous course. I mentioned to the Prince that it is a fact that we are conducting matters wich such convictions. The Prince said: "I still do not understand how they are conducting the administration of Japan. Well, even if WANG does part, supposing WANG and CHIANG should come together again. What will happen if those two should redouble their efforts? We must consider

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the various circumstances."

Returning home on the evening of the 13th, I met KIDO and when I inquired about things, he said: "Yesterday, I called on KONOYE and spoke on various matters but he was intently saying that he wanted to resign. Well, it would be wrong for me to resign within the year." Regarding the plot, KIDO also regards the issue very casually and does not consider it a problem.

Furthermore, KIDO said: "Chief Secretary KAZAMI called on the Navy Minister and spoke of KONOYE's resignation. That is, Chief Secretary KAZAMI said: 'The cogwheel of the KONOYE Cabinet has completely stopped. The Cabinet is in a desperate condition.' The Navy Minister merely replied theoretically: 'There is no alternative but to reorganize or resign.' Thinking that the Navy Minister agreed to the resignation of the Cabinet, the Chief Secretary returned and told the Premier: 'The Navy Minister supports the resignation.' Since I felt that was very questionable, I questioned the Navy Minister about this when we met, and he said: 'It is absolutely wrong to resign now. I merely said that if the Cabinet is in a desperate situation, theoretically, there is no alternative but to reorganize or resign. I am absolutely against resigning at the present time.' Thus, I was relieved."

Then, on the morning of the 14th, I met the Vice Minister YAMAMOTO. He said: "The Navy Minister says: 'It is indeed wrong to resign.'"

Furthermore, on the evening of the 14th, I met Foreign Minister ARITA. He also said: "It would be unfavorable to

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resign now. It is indeed perplexing. Somehow, the most troublesome individual in the Five Ministers' Conference is the War Minister. It was a big mistake to have UGAKI appointed Foreign Minister. Thinking back, we did not nail the important peg in the most vital point where we should have. Well, the various matters have become considerably loose. Since only people who are well-versed in the diplomatic field can perceive the situation within the Foreign Ministry, unrotractable issues will arise. It is indeed perplexing."

MATSUDAIRA, the Chief Secretary to the Lord Keeper of the Privy Seal, and I had supper at KONOYE's residence. We leisurely spoke until about 9:30 p.m. In our conversation, the following was mentioned: "It is absolutely wrong to resign within the year. That will affect the financial world and cause anxiety within the nation. If they resign, they must do their utmost so that a gap will not be formed with the succeeding Cabinet. That is, we must decide on our course after careful deliberation so that we would not be held in contempt by our enemies."

When we inquired about the matter from KONOYE, it seemed that KONOYE has become weary of his position. We said: "At any rate, even if you are weary, instead of having a sudden change, wouldn't it be better if you make preparations at once?" In general, KONOYE agreed with us and we parted.

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Chapter 308
(21 December 1938)

Military and Foreign Officials Differ

Translated by T/Sgt Jack Tashiro

On the morning of the 15th, I met KIDO and told him of the conversation that I had with KONOYE last night. I said: "Even if IKEDA and others say that it will not be too bad from a financial and economic standpoint to have a change in administration within the year, it is undesirable from a political one. It will create a feeling of unrest among the people, especially, if it should occur in the latter part of the year. It would be a very undesirable thing to have a change in Cabinets when the China problem is proceeding so smoothly and when behind-the-scenes negotiations are taking place. At any rate, wouldn't it be better to look the situation over a little while longer?" KIDO seemed to be of the same opinion. It also seemed as if KIDO desired the appointment of HATTA as the Minister of Commerce and Industry if at all possible. It also appeared as if he thought that KONOYE would become more stable if the behind-the-scenes negotiations with China should succeed.

In the afternoon, MATSUDAIRA, KIDO and I were invited to a farewell party for Marquis INOUYE held in the Japanese living room of the Premier's official residence. We ate leisurely and had a varied discussion until after 3:00 p.m.

On the morning of the 16th, I met Finance Minister IKEDA. He said: "It is impossible for the finances and economics of Japan to exist if we are to compete with the United States and England. Since KONOYE is so unsettled

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at the present, I am worried. It will be troublesome unless KONOYE's mind becomes more settled. My own physical condition is very poor and I doubt if I will be able to continue. When I accepted the post as Finance Minister, I did not even consider my health. Even at the present time, I am not concerned about it. I would gladly continue with Premier KONOYE if he determines to fulfill his duties and harmonizes with me so that I can fulfill mine. However, elements within the Army and the rightist organizations hinder me so that I cannot work. In other words, they hinder me to the extent that I will not be able to fulfill my responsibilities. It is distressing because the Premier merely looks on quietly and does not do anything about it. In other words, if KONOYE is planning to continue, improvements must be made and he must carry on with determination. I shall demand the support of the Premier. I wish to meet the Premier tomorrow and find out his feelings and I continue with a clear understanding. If this is impossible, there is no alternative but to resign."

I told this to MATSUDAIRA and when I met the Foreign Minister, I told him the same. The Foreign Minister had the same opinion, but he was worried about one thing and said: "The purpose of the Anti-Comintern Pact, decided upon at the Five Ministers' Conference, was to regard the Soviet as hostile. However, the younger faction of the Army and those overseas contend that the real purpose of the program is to regard England and France as hostile. This point has become a problem. The Navy Minister has said: 'The decision at the Five Ministers' Conference must not be changed.' Finance Minister IKEDA and I agreed

to that so the three of us were very worried about this problem. We discussed this matter as we dined."

On the 18th, I went to Okitsu and met the Prince on the morning of the 19th. When I made a general report, the Prince said that even if we should consider this from the point of Japan's future development and the expansion of power, from a production standpoint or from any standpoint, Japan's foreign policy should be based upon friendly relations with the United States and Great Britain. He was deeply worried that unless we consider this very carefully, the future of the nation would be ruined. When I told him of the inconsistency of the decision of the Five Ministers' Conference and what the lower echelons of the Army and Navy and those overseas are saying, he was greatly worried about this too.

I returned on the night of the 19th, and when I met Foreign Minister ARITA, he said: "We are very troubled with the above problem. After the Premier had reported to the Emperor, I was received in audience and I spoke to His Majesty concerning the fishing problem. This matter had been discussed at today's Cabinet meeting, and furthermore, it had become a serious problem at the meeting of the Councillors. Regarding the contents of the Anti-Comintern Pact, the Navy Minister, the Premier, Finance Minister IKEDA and I agree with the decision of the Five Ministers' Conference. I do not recall considering any nation other than the Soviet as the object of the Pact. The War Minister said: 'I must have misunderstood.' It seems that the War Minister is in a state of confusion. It is very troublesome. ITAGAKI is in a very difficult position. I'm afraid that if things are carried out as

they are at present, it may become necessary for the War Minister to resign. If the War Minister should resign for such a reason and if it has bad influence on the foreign policy, there will be no way to justify it. Anyway, it has become a difficult problem." The Foreign Minister was worried about the future and he was very sad.

On the morning of the 21st, I conversed with KONOYE on the phone and he was worried about this problem too. At any rate, that secret plot in China was postponed until the 18th, and it appears that it has neared success. INUKAI and others went with KAGESA to Shanghai to formulate the plot. They came to my place on the morning of the 21st and said: "In general, the plot will be a success. There was a telegram stating that WANG Ching-wei escaped to Hanoi."

Regarding this problem, the Premier feels that it would be fine if the plot is a success. Foreign Minister ARITA said: "Since we have this other important problem at the present time, it would be fine if the plot is a success." Within three or four days, this situation will probably take a turn, but at the present, there is no alternative but to wait for its development.

On the morning of the 21st, I met KIDO and we had a varied conversation. KIDO said: "KONOYE hasn't much energy left and if he is lacking in sincerity, I think it is better to change the Premier. It appears that there is no one to succeed him except HIRANUMA." I said: "How about you becoming the Premier?" KIDO replied: "I cannot accept the appointment. Regarding the decision of the Five Ministers' Conference, the higher and lower officials of the Army, Navy and the Foreign Affairs

Ministry have different opinions. This difference in opinion makes it difficult for us to work." KIDO was very worried.

Since KIDO and the Lord Keeper of the Privy Seal were to meet at the official residence of the Lord Keeper of the Privy Seal in the evening of the same day, the topic of discussion will probably be the resigning of the Premier or the retaining of office by making improvements. KIDO will talk about the present conditions with the Lord Keeper of the Privy Seal.

When I had met KIDO previously, I had said: "Since you understand the desires of the Emperor well, if you do something unreasonable, or if you do anything that will be of harm to the Emperor, then there will be no way to justify yourself." It appeared that KIDO was quite worried about that but KIDO's opinion was that there is nothing that one can do with the general trend of current events. Then, I told KIDO that INUKAI had come and he had talked about the plot and that WANG Ching-wei had escaped to Hanoi. KIDO said: "Regardless of whether WANG Ching-wei has fled from his country for political reasons or not, it has no effect upon Japan. The story sounds untrue." Regarding the plot of INUKAI, it seemed that he felt like ARITA for he was not depending upon it too much.

As the result of the telephone conversation I had with KONOYE, we promised to have supper at the Kuwana at around 6:00 p.m. I went there at a little after 6:00 p.m. and when I met KONOYE, it seemed that KONOYE felt that the plot would be a success. He said: "The opinions of the higher and lower echelons of the Army, Navy and the lower officials of the Foreign Ministry differ completely.

[redacted]

The suspicious thing is that the lower echelons of the Army and the Navy are taking it as though the same joint military action is to be taken against England and France as with the Soviet regarding the decision of the Three Ministers' Conference. Since they have been in contact with Ambassador OSHIMA in Germany, OSHIMA relayed this to RIBBENTROP. The officials of the Foreign Ministry are saying that it is not military but simply economic aid, and that it does not concern any joint military action at all. This is where the officials of the Foreign Ministry and the Army and Navy differ. Haven't you heard from Vice-Minister YAMAMOTO what their real intentions are?" I said: "I haven't heard anything as yet." In my conversation with KIDO yesterday, he said that the higher and lower officials of the Army and Navy were alienated but I cannot believe that. Then, I told KONOYE: "I will ask YAMAMOTO."

Regarding HIRANUMA, KONOYE said: "At the council in the presence of the Emperor, HIRANUMA asked if Japan had a counter plan in the event that England and the United States become united and add economic pressure. He was worried. At that time, in the presence of the Emperor, IKEDA could not say: 'There are no counter-measures planned.' However, that does not mean that there is no plan at all but that there isn't much confidence. As far as Foreign Minister ARITA is concerned, he was in a position where he had to reply that he would take some sort of diplomatic measures. Therefore, IKEDA and ARITA replied that the government has a general plan. The question by HIRANUMA was a very appropriate one and it was a very sound question. According to this, Finance Minister IKEDA

said that although HIRANUMA frequently raises ultra-nationalistic questions that are sympathetic to the right-rightists, he understands diplomacy quite well. IKEDA was happy over this. The Lord Keeper of the Privy Seal said that HIRANUMA came to his place recently and said that he had issued orders for Germany, Italy and Japan to strengthen the Anti-Comintern Pact and this may cause grave consequences. This became another reason for the Lord Keeper of the Privy Seal to worry. The Lord Keeper of the Privy Seal had been saying that if KONOYE should resign, then there is no alternative but to have HIRANUMA appointed as Premier. It appears that he is rather worried now if HIRANUMA should be appointed."

Then, KONOYE mentioned the conversation that he had with the Foreign Minister at the residence of the Lord Keeper of the Privy Seal after they had been received in audience by the Emperor. He said: "If HIRANUMA should become the Premier and material danger to the nation should arise, then perhaps it is better to have KIDO, ARITA or ARAKI as the Premier. ARAKI has always been pro-British. Therefore, material danger may be less if ARAKI becomes the Premier. As far as control of the Army is concerned, ARAKI would be better." From this standpoint, KONOYE was very worried about a successor.